



SI EN

[ABOUT US](#) [STRATEGY](#) [OPERATIONS](#) [CLAIMS](#) [EQUITY](#) [REAL-ESTATE](#) [PUBLIC INFORMATION](#) [MEDIA](#)

Introductory speech from dr. Lars Nyberg at the meeting of the Committee on Financial and Monetary policy October 7th 2015

Mr chairman, members of the committee

I shall not comment further on the remuneration of Mr Månsson. I did that in a letter to the Minister that was published yesterday and there is nothing to add to that. It should be obvious to everyone that Mr Månsson has been in Slovenia for the challenge of building a company in which he believed and not for the money. He would more than double his salary if he worked somewhere else in Europe. Hiring a new competent management will be considerably more expensive.

However, let me state two things. Firstly, all payments, to Mr Månsson and to all others, are based on employment contracts that are in line with the remuneration policies valid at the time when the contracts were signed. And secondly, the Ministry of Finance has had full knowledge of all these contracts. The contract with Mr Månsson from July last year was actually set up in close cooperation with the Ministry, since we wanted to assure that it was in compliance with the existing remuneration policy. When payments are made according to the agreed contracts, this should be no surprise to the Ministry. The BAMC has hidden no information.

But, as I suppose you all realise, the issue of remuneration is not the reason for the government to fire Mr Månsson – or me, for that matter. Mr Mramor told me a month ago, long before the issue of remuneration was back in the press, that the pressure to get rid of Mr Månsson had increased substantially over the summer. Early last week he asked the non-EDs to come up with a plan for changing the management as quickly as possible. Then came the remuneration debacle that provided an excuse for terminating the contracts.

That excuse was unnecessary. No chairman or CEO can work without the confidence of the owner, in this case the Finance Minister. If he had told us that he wanted us to leave, we would immediately have resigned, without the government having to meet for five hours to make up more or less credible reasons for our dismissal. But, of course, the government would have seemed less powerful.

When, in 2013, the BAMC was set up, the idea was to establish a politically independent institution. At that time, it was realized by the government that many controversial decisions would have to be taken, decisions that would come in conflict with the interest of the traditional Slovenian networks. For this reason, a separate law, the ZUKSB, was written to establish the purpose of the company – to regain as much as possible of the money lost by the banks – and to provide a base for its independence. Three foreigners with long experience from similar companies were put in the board to guarantee that decisions would be commercial rather than political, even in difficult situations.

The setup provided credibility, both domestic and international. And from an international standpoint, the BAMC has been a great success. We have taken over the assets – mostly loans – from the banks as planned; we have restructured and saved a number of companies where previous owners failed and we have sold assets and by that paid back money to the taxpayers. This is exactly what an asset management company should do, and we are recognised internationally for having done it well and quicker than expected.

Domestically, we were for a long time accused of doing nothing. This was not unexpected, because during the period when assets are transferred from the banks, no asset management company can show interesting results.

Today, we are accused of doing too much, which of course is the reason for “the pressure” put on the finance minister to change management. We have seen a number of cases where it is quite obvious what has to be done in the interest of the taxpayers, but where this interest comes into conflict with the interest of the present owners and management. The law puts us clearly on the taxpayers’ side. Up to now, the independence of BAMC has made it possible for us to work according to established international principles. For example, we expect creditors to be paid before owners, even if this has not been the tradition in Slovenia.

But the future is unclear. With the latest development, starting with the dismissal of two foreigners from the board in March this year, the credibility of BAMC has been seriously hurt. Even though the present non-EDs of the company are honourable people, the increased political influence is clearly visible. During the last month, we have also seen the Ministry of Finance wanting to enter into separate cases in a way that we never saw before. From an international standpoint, the governance of BAMC has taken a huge step backwards.

Slovenia is a country, which I have really come to like and where I have learned to know many nice and very competent people, not least among the young staff of BAMC. Leaving Slovenia, I will not wish you good luck. I just hope that you know what you are doing.